

**FINAL**

**Trial Court Budget Commission  
Meeting Minutes  
June 4, 2014**



**Attendance – Members Present**

The Honorable Margaret Steinbeck, Chair  
The Honorable Mark Mahon, Vice Chair  
The Honorable Catherine Brunson  
The Honorable Ronald Ficarrotta  
Mr. Tom Genung  
Ms. Sandra Lonergan  
The Honorable Thomas McGrady  
The Honorable Wayne Miller  
The Honorable Debra Nelson  
The Honorable Gregory Parker  
The Honorable Belvin Perry, Jr  
Ms. Kathy Pugh

The Honorable James McCune  
The Honorable Robert Roundtree  
The Honorable Olin Shinholser  
Mr. Grant Slayden  
The Honorable Elijah Smiley  
Mr. Walt Smith  
The Honorable Bertila Soto  
The Honorable John Stargel  
The Honorable Terry Terrell  
The Honorable Patricia Thomas  
Mr. Mark Weinberg

**Attendance – Members Absent**

Ms. Robin Wright

**Special Note:** It is recommended that these minutes be used in conjunction with the meeting materials.

**Agenda Item I: Welcome and Approval of Meeting Minutes**

Judge Steinbeck called the Trial Court Budget Commission (TCBC) meeting to order at 11:01 a.m. The roll was taken with a quorum present. Judge Steinbeck recognized as attending, Judge Susan Schaeffer, TCBC Chair Emeritus and former member Judge Joe Farina. She also introduced the incoming state courts administrator, PK Jameson.

Judge Steinbeck presented the draft meeting minutes from the April 7, 2014, TCBC meeting and asked if there were any changes necessary before approval. Judge Stargel moved to approve the minutes as drafted, with a second from Judge Nelson. The motion passed without objection.

## **Agenda Item II: Status of FY 2013-14 Budget**

### **A. Salary Budgets**

Dorothy Wilson provided an overview of the trial court salary budgets for FY 2013-14 as of May 29, 2014. Ms. Wilson noted the trial courts begin each fiscal year with a salary deficit and savings generated through lapse of vacant positions is used to cover the deficit. The current General Revenue and State Courts Revenue Trust Fund combined projections estimated \$283,107 or .09% under the authorized salary appropriation at year end. As previously projected, the deficit was made up with lapse savings. Both the Administrative Trust Fund and the Federal Grants Trust Fund are under the salary appropriation by \$30,099 and \$187,811, respectively.

### **B. State Courts Revenue Trust Fund**

Dorothy Wilson provided an overview of the State Courts Revenue Trust Fund (SCRTF) cash balance through May 31, 2014, for FY 2013-14. The cash balance at year end was estimated at \$1.2 million. The balance included \$1.8 million appropriated in the FY 2014-15 General Appropriations Act (HB 5001) to mitigate the FY 2013-14 revenue deficit. Ms. Wilson noted the hold back of General Revenue (GR) funds prevented additional shifting of expenditures onto the SCRTF. She also noted that the chief justice submitted a FY 2014-15 appropriations release plan seeking to release 100% of GR salary appropriations due to insufficient cash balance in the SCRTF to cover July payroll and the July GR Service Charge.

Kris Slayden provided an overview of the Office of the State Courts Administrator's (OSCA) projected revenue deficit. The OSCA estimate includes a 4% shortfall rate for June revenues which equals \$316,211. The estimated ending cash balance deficit was (\$859,356); however, after applying the \$1.8 million from the back of bill appropriations, the adjusted ending cash balance was estimated at \$940,644.

### **C. End of Year Spending Plans**

Judge Steinbeck stated that as reported, the revenue deficit was covered and she encouraged circuits that implemented spending restrictions to address their needs.

## **Agenda Item III: FY 2014-15 GAA and Implementing/Conforming Bills: Gubernatorial Action, Final Appropriations, and Implementation Activities**

Dorothy Wilson reviewed two items vetoed by the governor. At the next TCBC meeting, the legislative intent will be discussed on the specialty issues funded in the trial court budget. Judge Steinbeck added that the specialty issues were not a part of the trial courts' legislative budget request.

Theresa Westerfield noted the pay issue was not vetoed and there were no changes in benefits or to the authority to pay Florida Bar dues.

Eric Maclure provided a brief review of House Bill 5003 which compliments and assists with implementing the General Appropriations Act (GAA). He also reviewed Senate Bill 2510 relating to court-appointed counsel, a conforming bill which also compliments the GAA.

#### **Agenda Item IV: Foreclosure Backlog Reduction Initiative**

Alex Krivosheyev provided an overview of the Foreclosure Backlog Reduction Initiative for FY 2013-14. As of April 30, 2014, tremendous progress has been made with 185,823 of the 329,171 backlogged cases reduced. Four issues were presented to the members for action.

##### **A. FY 2014-15 Allocations**

\$6.3 million in foreclosure funds are available for FY 2014-15, with an additional \$2.3 million estimated to be available from unspent funds in FY 2013-14, for a total of \$8.6 million. Two options for allocation were provided to the members for consideration. Judge Roundtree moved to approve the FY 2014-15 allocations based on continuation funding for those circuits that were not estimated to have unspent balances of over \$100,000 in FY 2013-14. Circuits that were estimated to have unspent balances in FY 2013-14 in excess of \$100,000 were allocated resources as they indicated would be needed for FY 2014-15. Additionally, include continued executive direction funding in the amount of \$43,829 to support the Foreclosure Performance Indicators Dashboard. Tom Genung seconded and the motion passed unanimously. As a result of Executive Committee discussions, Judge Steinbeck requested a mid-year assessment be conducted to re-evaluate needs and to ensure the funds are being used where needed.

##### **B. 3<sup>rd</sup> Circuit Request for Additional Technology Resources**

The 3<sup>rd</sup> Circuit requested an additional \$55,000 in funding for their aiSmartBench implementation. Judge Perry moved to approve the request. Judge Ficarotta seconded and the motion passed without objection.

##### **C. Overtime Pay and Pay Above the Minimum**

For FY 2013-14, the TCBC approved overtime pay and compensation above the minimum hourly rate for Other Personal Services (OPS) staff as long as circuits stayed within their allocation. Judge Roundtree motioned to approve continuation for FY 2014-15. Judge Soto seconded and the motion passed without objection.

##### **D. Distributing Recommended Allocations into Operating Categories**

The Funding Methodology Committee recommended the Office of the State Courts Administrator (OSCA) staff work with the circuits to distribute their recommended FY 2014-15 circuit allocations into the various operating categories to ensure circuits have maximum flexibility in choosing the types of resources that would be most effective in reducing the backlog. Because the full amount that is left over from the current year will not be known

until after June 30<sup>th</sup>, it is further recommended the circuits receive their allocation in two stages. In June a portion of the allocation based on the \$6.3 million funding for FY 2014-15, and in August the remainder of the allocations based on the actual amount carried forward from FY 2013-14. Judge Roundtree motioned to approve the allocations as presented and the two stage distribution process. Tom Genung seconded and the motion passed without objection.

### **Agenda Item V: Pay Issues for Court System Employees**

Theresa Westerfield provided an overview of the two pay issues filed and noted that the across the board competitive pay adjustment issue was not funded.

#### **A. Implementation of FY 2014-15 Special Pay Issue: Status Report**

Ms. Westerfield reported the legislature provided first-year funding of the two-year implementation request of the equity and retention issue to address salary issues affecting the State Courts System. Proviso language in the General Appropriations Act (GAA) requires that the funds be used for employee position classification salary adjustments to encourage retention, provide salary equity between the judicial branch and other governmental entities, and provide market-based adjustments for recurring employee recruitment problems. This funding cannot be used for across-the-board or individual merit increases, and not all classes will be adjusted. The minimum salaries of affected classes will be adjusted and therefore, not everyone in that class will be adjusted if earning above the minimum. Proviso languages requires the funds to be appropriated proportionately within the State Courts System based on the number of full-time equivalent positions, excluding judges. Judge Steinbeck noted that a draft plan for the trial courts will be presented the June 20<sup>th</sup> TCBC meeting for comment. The revised plan will be presented in August for approval. The plan for the entire State Courts System will be submitted to the chief justice for approval and then submitted to the Legislative Budget Commission (LBC) for approval. At this time, there is no scheduled meeting of the LBC. Therefore, the exact implementation date for the adjustment is yet to be determined.

#### **B. Performance-Based, Lump Sum Bonuses Authorized During 2013 Legislative Session: Status Report**

Dorothy Wilson referenced an email just received notifying that the performance-based, lump sum bonus funding will be available on June 18<sup>th</sup>, the day before payroll runs. The funding will be equal to the plan submitted. Theresa Westerfield added that affected employees may now be notified. Those employees will receive their funds on June 25<sup>th</sup> and taxes will be taken out of the total amount. There was no language in the GAA that included the state's payment of the employee portion of taxes or FICA.

**Adjournment**

With no other business before the commission, the meeting adjourned at 12:22 a.m.